

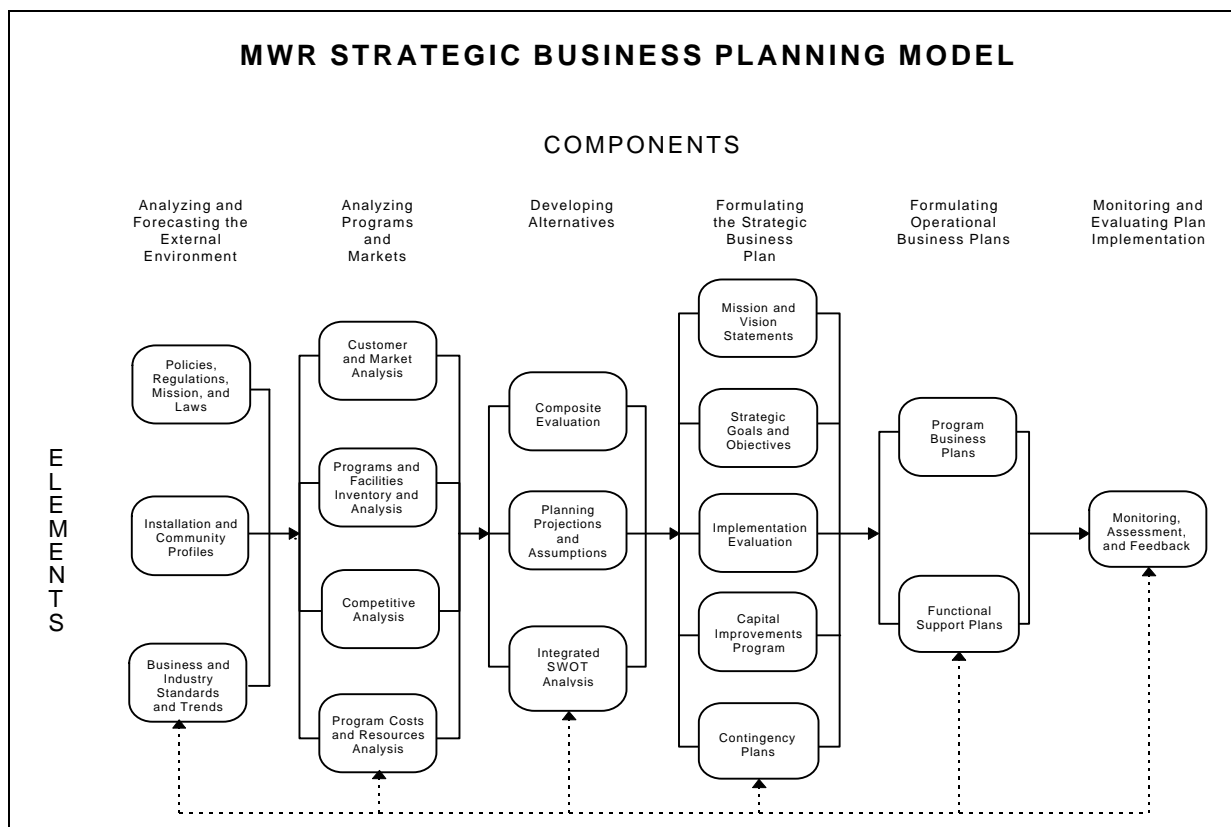
CONTENTS

Section 1.	Introduction	1-1
Section 2.	Analyzing and Forecasting the External Environment	2-1
Section 3.	Analyzing Programs and Markets.....	3-1
Section 4.	Developing Alternatives	4-1
Section 5.	Formulating the Strategic Business Plan	5-1
Section 6.	Formulating Operational Business Plans	6-1
Section 7.	Monitoring and Evaluating Plan Implementation	7-1
Section 8.	Summary	8-1

FIGURES

1-1.	MWR Strategic Business Planning Model.....	1-2
2-1.	Environmental Analysis Summary Worksheet	2-2
2-2.	Policies, Regulations, Mission, and Laws Worksheet	2-4
2-3.	Current Supported Population Worksheet	2-5
2-4.	Projected Supported Population Worksheet.....	2-5
2-5.	Major Land Uses, Key Physical Attributes, and Human Activity Areas	2-6
2-6.	Installation and Community Profile Worksheet.....	2-6
2-7.	Business and Industry Standards and Trends Worksheet.....	2-8
2-8.	Performance Measures and Standards Worksheet.....	2-9
3-1.	Primary and Secondary Market Segment Worksheet	3-3
3-2.	Market Size and Share Worksheet	3-4
3-3.	Customer Profile Worksheet	3-4
3-4.	Programs and Facilities Analysis Worksheet.....	3-6
3-5.	Competitive Analysis Worksheet	3-8
3-6.	Competitive Analysis Summary	3-9
3-7.	MWR Program Financial Worksheet.....	3-10
3-8.	Total Operating Cost and Net Income per Operating Hour Worksheet	3-11
3-9.	MWR Staffing and Labor Costs Worksheet	3-11
4-1.	Composite Analysis Worksheet (Raw Data).....	4-2
4-2.	Composite Analysis Worksheet (Final)	4-3
4-3.	Planning Projections and Assumptions Worksheet	4-4
4-4.	SWOT Matrix Worksheet.....	4-6
5-1.	Mission Statement Checklist.....	5-2
5-2.	Goals Development Worksheet.....	5-4
5-3.	Goals Statement Worksheet.....	5-5
5-4.	Objective Writing Worksheet	5-5
5-5.	Goal-Objective-Task Worksheet.....	5-7
5-6.	Gantt Chart.....	5-7
5-7.	Capital Improvements Program Worksheet	5-8
6-1.	Strategic and Operational Planning Relationship.....	6-2

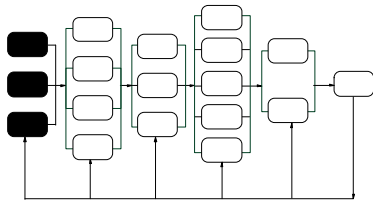
further study, while the planning process continues using the best available information. When the study is complete, the plan can simply be updated. Sample portions of forms and worksheets are presented throughout this guidebook, filled in with sample data to facilitate user understanding. Full-page blank forms for the planning process are in the back of the *Preparing a Strategic Business Plan Handbook*. In addition, guidebook users may tailor the methodology presented here to their individual MWR organizations' needs and capabilities. It is recommended that users of this guidebook keep their efforts at a reasonably basic level, particularly in their initial strategic business planning efforts. Development of the initial plan will instill in MWR personnel familiarity with, and confidence in, the concepts described here and provide the experience necessary to pick and choose variations of methodology and degrees of complexity appropriate for their installations. While it is recommended that the model described in this guidebook be used by the MWR Planning Team, several other models also are available for developing strategic business plans.



Note:

Figure 1-1

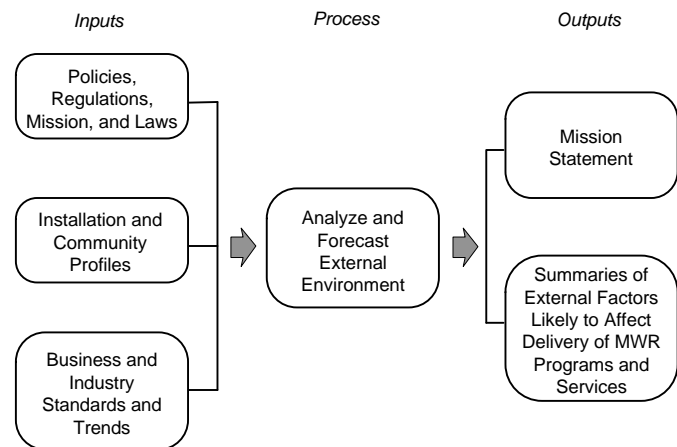
This guidebook will be revised periodically on the basis of comments from installations. The objective of these revisions is to make the guidebook more useful and effective in the development and review of installation MWR strategic business plans. Send comments and suggestions to your MACOM MWR management team or the Marketing Division at the U.S. Army Community and Family Support Center.



Section 2

ANALYZING AND FORECASTING THE EXTERNAL ENVIRONMENT

The first step in the strategic planning process is to understand the operating environment. The Analyzing and Forecasting the External Environment component involves comprehensively and systematically assessing significant influences and trends in the environment that are external to the MWR organization. Although many external forces and emerging trends that impact the business planning environment can greatly affect MWR program management and delivery systems, MWR managers can seldom control these external factors. To formulate sound and realistic responses in the strategic plan, these managers must understand and take into account these impacts. The only external aspect of the MWR operating environment that is not addressed in this component is competition. Competition is addressed in the Analyzing Programs and Markets component. The major inputs to the Analyzing and Forecasting the External Environment component are organized into three elements to help ensure that all significant environmental factors are considered.

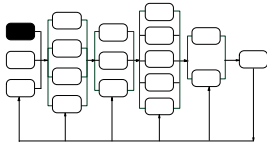


Several recommended worksheets for collecting, organizing, and analyzing data on the external environment are included in this section. MWR managers should complete the worksheets for each major MWR program and activity that may be required to develop an operational business plan (see Section 6). When individual program/activity worksheets are completed, they should be compiled by the MWR Planning Team into a single worksheet, consolidating data and eliminating duplication. At this point, the team should reduce the list of items to those that are most significant to the entire installation MWR organization (i.e., the ‘critical few’). The minimum essential product of this component is a worksheet that reflects the initial MWR mission statement and a prioritized list of major external environmental factors that have been classified as either opportunities or threats to the local MWR operation, presented in a format similar to the one shown in Figure 2-1.

ENVIRONMENTAL ANALYSIS SUMMARY WORKSHEET			
MWR Mission: <i>Our mission is to enhance the quality of life and readiness by continually improving customer-focused recreational, social, and educational services for all members of the Fort Paradise community.</i>			
Environmental Element	Subelement	Opportunities	Threats
Policies, Regulations, Mission, and Laws	Army Policies and Regulations Installation Policies and Regulations State and Local Laws	<i>Positive advertising policy</i>	<i>Closed gates</i> <i>Prohibition on banners and marquees</i> <i>Prohibition on bingo</i>
Installation and Community Profiles	Demographics Land Use and Development Key Physical Attributes Social and Cultural Attributes Local Economy	<i>On-post population is growing</i> <i>Large tracts of recreational land on post</i> <i>Large lakes, hunting areas</i> <i>Family-centered community</i>	<i>Major development of family restaurants just off post</i> <i>High off-post unemployment</i>
Business and Industry Standards and Trends	Technology Assessment Delivery Systems Industry Projections	<i>Point of sales data entry</i> <i>Golf, casual dining growing</i>	 <i>Food delivery, fax order service, and drive-ups</i> <i>Tennis declining</i>

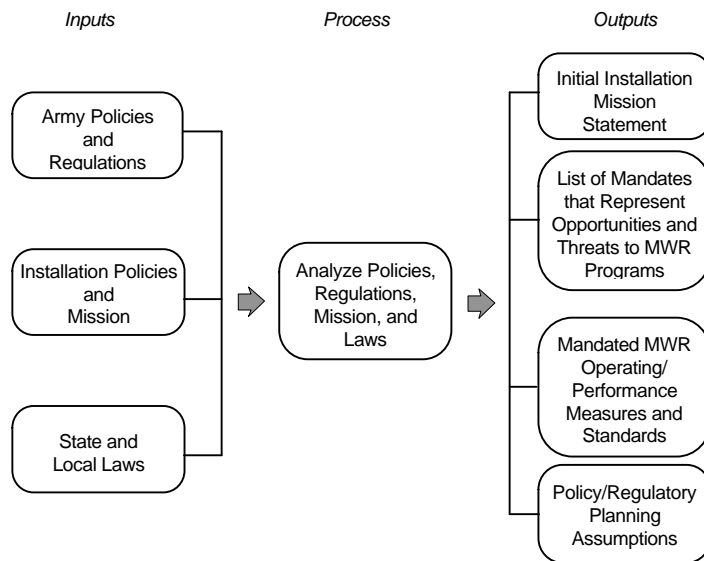
Figure 2-1





Policies, Regulations, Mission, and Laws Element

The installation MWR organization operates within an environment shaped by the policies and regulations of higher headquarters and the installation commander. Unlike commercial businesses, the scope of MWR activities is impacted by a variety of missions assigned to the installation. It is also influenced by current and proposed Federal, state, and local laws. For example, The Army MWR Strategic Action Plan establishes financial performance standards for MWR programs that must be achieved at the installation level; MACOMs have published reengineering guidance that covers partnering with local communities and businesses, and divestiture of functions that are not essential to missions. State and local governments have either passed, or may propose, laws that could either promote or restrict the delivery of MWR services.

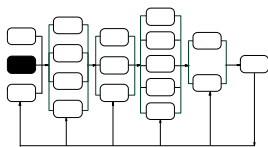


The primary objective of this element is to identify the key policies, regulations, mission, and laws that affect the MWR program, and to classify them as either opportunities or threats. This element also includes delivering an initial mission statement and compiling program performance measures and standards that have been directed by higher headquarters. The mission statement and performance standards help focus planning efforts and define pertinent data needs throughout the planning process.

The MWR Planning Team can obtain the data for this element by researching Army regulations and other appropriate policy documents. Information on MWR and installation policies is available from local MWR program managers and the installation staff. Much of the data on state and local requirements are well known to local officials and can be obtained through interviews. Figure 2-2 is an example of a completed Policies, Regulations, Mission, and Laws Worksheet. Similar worksheets should be developed for each major MWR program (they are used in Section 6 to develop operational business plans), and the data summarized for the entire MWR organization (in Figure 2-1). There are many laws and policies that impact MWR programs; the MWR Planning Team should ensure only major factors are listed.

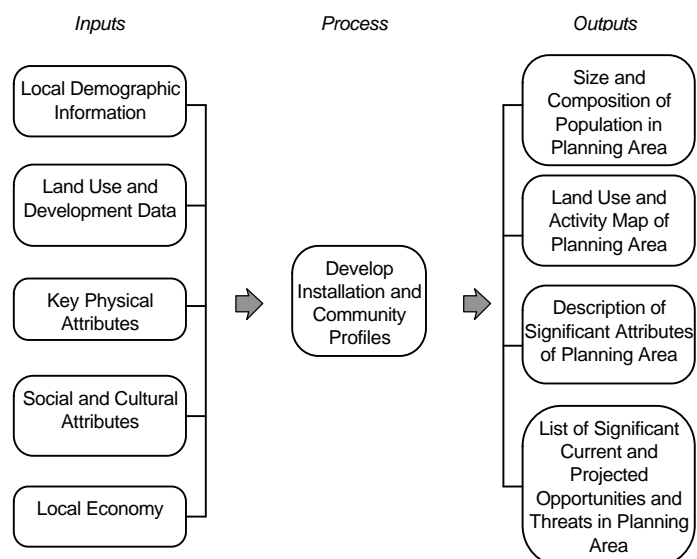
POLICIES, REGULATIONS, MISSION, AND LAWS WORKSHEET		
Environmental Subelement	Key Information	Opportunity (O)/Threat (T)
Army Policies and Regulations	<i>New relaxation of advertising policy.</i>	<i>O</i>
Installation Policies and Mission	<i>Flexible work schedule (varied work hours/lunch periods).</i> <i>Open post.</i> <i>High visibility of military police and gate checks during peak times.</i>	<i>O</i> <i>O</i> <i>T</i>
State and Local Laws	<i>Lottery and raffle tickets do not require state license number if sold on post.</i> <i>Legitimate civilian guest use.</i>	<i>O</i> <i>O</i>

Figure 2-2



Installation and Community Profiles Element

The physical setting, population levels, and economic and social conditions in and around the installation can influence many aspects of the local MWR organization. These factors often define the nature, scope, and type of MWR programs that can and should be offered. For example, relatively small, isolated installations may require more programs at relatively high operating cost, while installations in major metropolitan areas may require few MWR programs. Large offpost population levels are likely to be supported with MWR-type activities within the local civilian community, thus presenting opportunities for the installation MWR organization and the surrounding civilian community to become partners in providing such activities. The products of this element should be a completed Current Supported Population Worksheet (Figure 2-3); Projected Supported Population Worksheet (Figure 2-4); a map showing major land uses, key physical attributes, and human activity areas (Figure 2-5); and a prioritized list of major opportunities and threats presented by the population



base, the local community, and the physical environment on an Installation and Community Profile Worksheet (Figure 2-6). Some suggested ways of obtaining, organizing, and analyzing data required for this element are described in the text that follows the figures.

CURRENT SUPPORTED POPULATION WORKSHEET 1995									
Population Component	Totals	Life Style/Status					Children by Age (years)		
		Single	Single Parent	Married/ Children	Married with No Children	Total Spouses	< 5	≥ 5 and < 18	≥ 18
I. Active Duty Military	20,933	7,922	1,985	9,964	3,048	13,012	8,160	10,972	900
Officer/ Warrant	3,020	625	142	2,065	330	2,395	1,552	445	298
Enlisted	17,904	7,297	1,843	7,899	2,718	10,617	7,237	9,096	2,438

Figure 2-3

PROJECTED SUPPORTED POPULATION WORKSHEET					
Population Segment	Current (1995)		Projected (2000)		Percent Population Change
	Totals	Percent Living On Post	Totals	Percent Living On Post	
Military Community					
Active Duty Military	23,444	36	24,123	35	3
AD Family Members	36,123	24	35,600	23	1
Civilians	5,015	0	4,758	0	5
Retirees	16,721	0	17,251	0	3
USAR/NG	284	0	274	0	4
Others	324	0	250	0	23
Total Military Community	81,911	21	82,256	21	0
Local Community	55,231	NA	53,124	NA	4

Figure 2-4

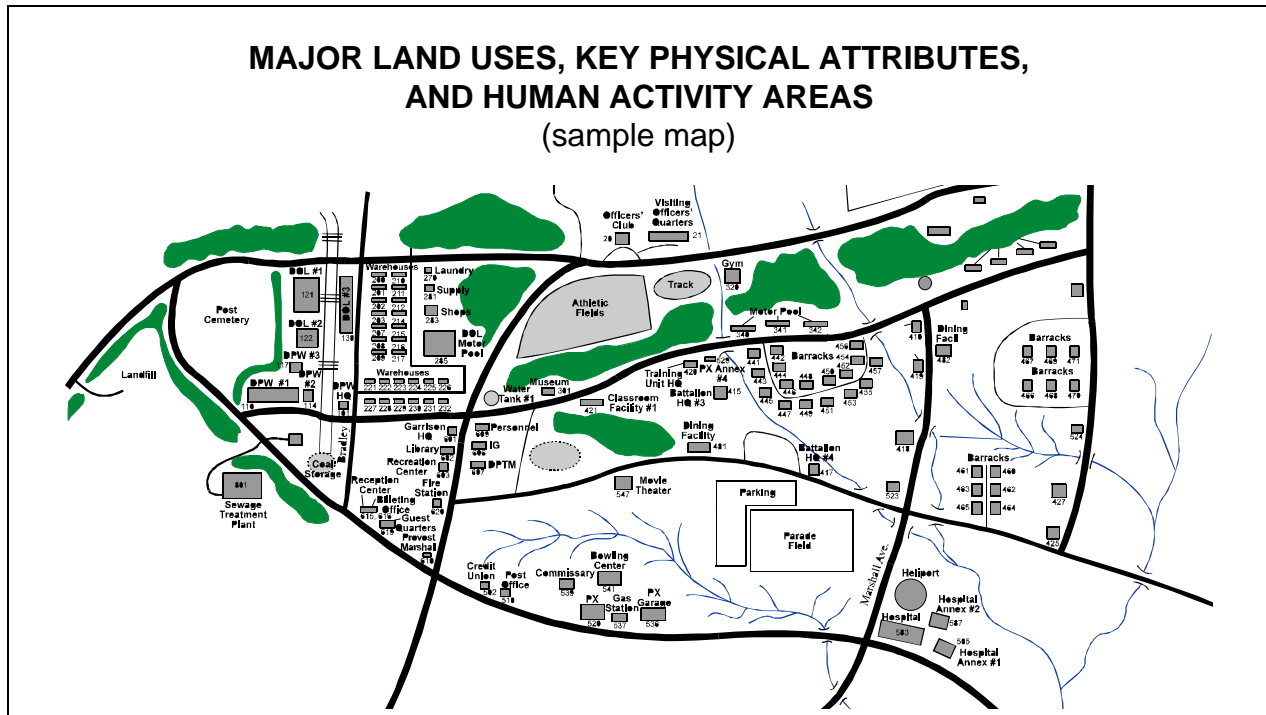


Figure 2-5

INSTALLATION AND COMMUNITY PROFILE WORKSHEET		
Environmental Subelement	Key Information	Opportunity (O)/Threat (T)
Local Demographic Information	Active duty personnel decreased from 5,000 to 1,500 in past few years. ASIP projection for 1995-2000 is to lose 400 (Chaplain School); Military Academy Prep loss rumored. BRAC 95 adds civilians in 98 time frame, making a net add of approx. 1,000 civilians.	O
Land Use and Development Data	Market population is primarily civilian: goes home (off-post) after work; limited military has little unit affiliation.	T
Key Physical Attributes	CECOM Bldg. (leased) consolidation to Main Post. (Lunch increase for CAC while child-care facilities move to housing area.) Increased contractor personnel during BRAC 93 \$50M construction project.	O
	New commercial development along business corridors; new Applebees (restaurant competition).	T
	Proximity to Atlantic City, Jersey shore, New York, and Philadelphia offers outstanding recreational possibilities, both competitive and supportive.	O

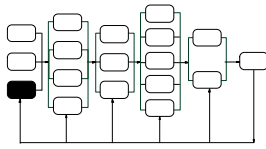
Figure 2-6

This assessment should include such attributes as location, natural resources and features, climate, and environmental quality. All these factors influence the types of MWR programs that will be appropriate and feasible, when considering the relative location of the installation with respect to potential MWR-type activities of interest to the customer. Installations located near the mountains or beaches may want to concentrate their primary programs on significantly different activities than installations located in the Midwest.

Determine the impact of significant social and cultural attributes. Determine, for example, the degree of affiliation between the installation and its local community and how this potentially affects MWR activities. Soldiers' and their families' ability to use civilian community facilities and programs will also be affected by these conditions.

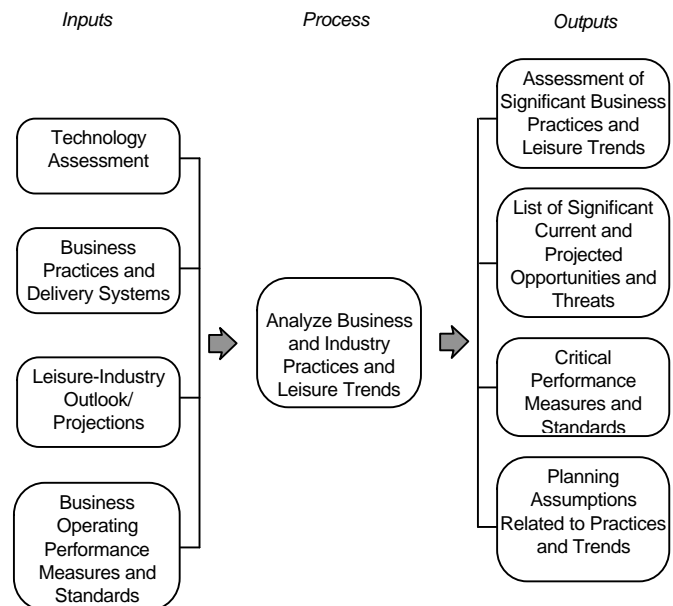
Determine the impact of the local economy. Determine what local economic factors, such as high unemployment or a low wage rate structure, might significantly affect the external community's support of MWR activities. Any significant information resulting from the assessment of the Installation and Community Profiles element should be collected and entered on the

Installation and Community Profile Worksheet (Figure 2-6), classifying each result as either an opportunity or a threat.



Business and Industry Standards and Trends Element

The MWR program must use available resources efficiently and effectively in satisfying the MWR needs of the supported population. To accomplish this, MWR managers must capitalize on current and developing technologies in the leisure industry and must be aware of community support and leisure demand trends. Identifying and emulating successful business practices should also result in improved MWR program performance and delivery systems. The minimum essential output from this element is a prioritized list, from the Business and Industry Standards and Trends Worksheet (Figure 2-7), of the most significant (current and projected) threats and opportunities in the leisure business sector and an appropriate set of operating and performance measures and standards used by the leisure industry (Figure 2-8).



BUSINESS AND INDUSTRY STANDARDS AND TRENDS WORKSHEET		
Environmental Subelement	Key Information	Opportunity (O)/Threat (T)
Technology Assessment	<i>REC-TRAC technology management information system.</i>	<i>O</i>
Business Practices and Delivery Systems	<i>Fast food caters to on-post population, including providing ordering by FAX, delivery, and drive-ups.</i>	<i>O</i>
Leisure-Industry Outlook/Projections	<i>Golf is very strong.</i>	<i>O</i>
	<i>Fitness is steady.</i>	<i>O</i>
	<i>Tennis may be declining.</i>	<i>T</i>

Figure 2-7

PERFORMANCE MEASURES AND STANDARDS WORKSHEET				
Activity	Source	Performance Measure	Performance Standard	Financial Indicator
Golf	HQDA	<i>Rounds per day</i>	250 rds/day	10% NIBD
	USGA	<i>Rounds per year</i>	50,000 rds/yr	15% Profit
	LOCAL	<i>Rounds per year</i>	62,000 rds/yr	14% NIBD
Bowling	HQDA	<i>Lines/lane/year</i>	10,000 lines/lane/yr	10% NIBD
	ABC	<i>Lines/lane/day</i>	25 lines/lane/day	20% Profit
	LOCAL	<i>Lines/lane/day</i>	32 lines/lane/day	13% NIBD
Guest House	HQDA	<i>Occupancy rate</i>	90% occupancy	15% NIBD
	AHMA	<i>Occupancy rate</i>	75% occupancy	10% Profit
	LOCAL	<i>Occupancy rate</i>	95% occupancy	23% NIBD

Figure 2-8

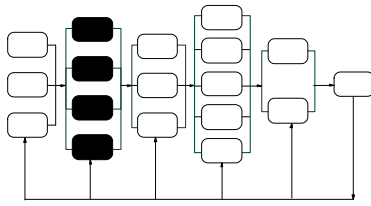
The performance standards should include benchmarks for each major MWR program. These standards should be combined with those directed by higher headquarters and prioritized as to their importance and relevance to local program management. Some suggested ways of obtaining, organizing, and analyzing data required for this element are described in the following paragraphs.

Collect information on changes in technologies that will improve services, lower costs, and enhance interest in MWR programs and activities and satisfy patrons. Private industry is constantly developing new or improved technologies, such as indoor golf driving ranges and automated scorers for bowling centers, for leisure activities.

Consider the delivery of diverse leisure activities and the use of multipurpose facilities, allowing the consumer better use of available leisure time. For example, in the external community, traditional libraries are now supplemented by kiosks in bus terminals and the use of bookmobiles is commonplace.

Assess industry outlook and projections. This information is crucial in making decisions regarding major capital investments. These projections are often developed for specific demographic characteristics that can be used to project future participation by installation populations. For example, the tremendous growth of youth soccer has driven an increased requirement for playing fields. Will it continue? What is the next MWR growth activity?

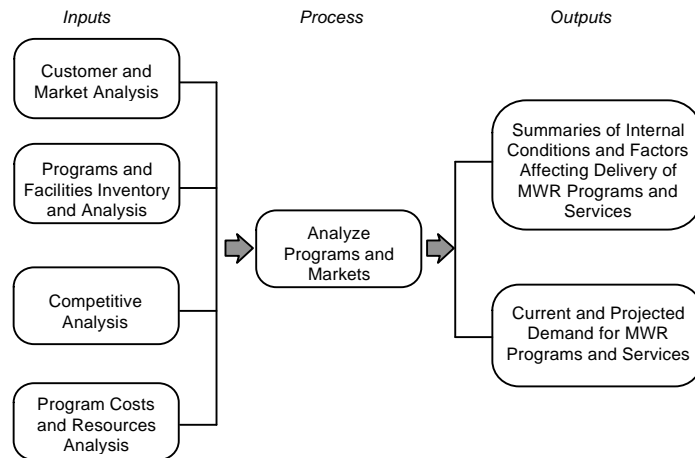
Assess industry and business performance standards. Assessing these standards, which are continually updated, is important because they are used to evaluate local operations against what is being accomplished in the public and private sectors. For example, an installation's youth center may now be outdated and underused because of the construction of a modern, multirecreational complex located within one mile of the installation. Much of these data can be found by researching industry-specific newsletters and magazines and keeping current with MWR-type activities.



Section 3

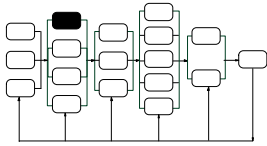
ANALYZING PROGRAMS AND MARKETS

In the Analyzing Programs and Markets component, the MWR Planning Team investigates supply and demand aspects of the marketplace and evaluates current MWR programs. The purpose of this component is to identify and analyze local markets for MWR programs, to assess internal operating performance, and to evaluate competition in the provision of these programs. This information is crucial to the MWR Planning Team in understanding where the organization is at present, and where it should be headed in the future.



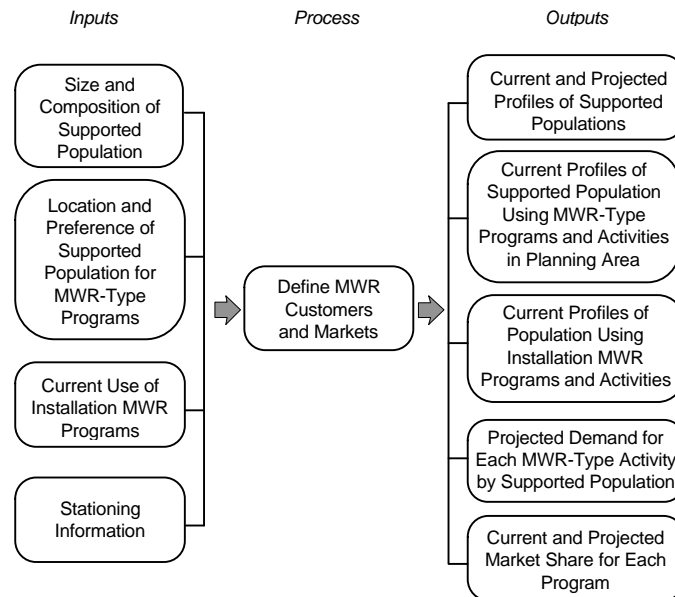
It is essential to know the size and nature of the current and projected market for MWR programs as well as the preferences of actual and potential customers. MWR programs must respond to what the customer demands and what the military mission dictates. In analyzing program operations, all MWR managers are challenged to satisfy customer needs and provide cost-effective activities and services. To accomplish this, the MWR Planning Team must evaluate programs against performance and operating standards. MWR programs must maintain or achieve a competitive advantage to retain customers and increase market share. To achieve this advantage, the team must identify and exploit program strengths and minimize weaknesses.

The minimum essential information developed from this component includes a profile of MWR customers (with current and projected market shares), prioritized lists of program strengths and weaknesses, and a thorough analysis of each MWR activity's civilian competitors. Data developed in this component will be combined with data from the previous external environment component during Developing Alternatives, the next component. Although the best possible information should be developed for this component, the MWR Planning Team should not let the lack of specific information impede the planning process. The team should identify future data needs, program studies to obtain these needed data, and forge ahead.



Customer and Market Analysis Element

In this element, the MWR Planning Team defines characteristics of the supported population that are important in establishing and maintaining responsive MWR programs. The objective of the Customer and Market Analysis element is to identify current and potential market segments, establish customer profiles, and identify customer needs and desires. This is accomplished by evaluating the population market data developed in the demographic portion of the Analyzing and Forecasting the External Environment component, in combination with specific customer response from tools, such as the LNS, spot surveys, focus groups, and activity records. The results obtained will provide information in terms of MWR customers: who they are, what they do, and what they like and dislike about MWR activities.



The Customer and Market Analysis element focuses primarily on the market segment that includes active duty military, their spouses and dependents, Department of Defense civilian employees, and retired military. If certain MWR activities traditionally have included, or have the potential to include, other community civilians not a part of the installation or military, they should likewise be included as part of the market segment. The customer profile is important in evaluating anticipated activity demand. For example, the projected number and size of active duty families and the number of single soldiers are two important factors to evaluate when considering expansion of facilities such as child development centers or enlisted clubs.

Demand for MWR activities is also a function of what people actually do (patronage) and what they would like to do (preference). Both actual patronage and preferences for leisure and community support services are determined in this element. Analyzing why certain installation MWR programs are not patronized, while the same types of programs are patronized off post, helps define issues, problems, and needs. Every business must know the size of the market for its goods and services, and the proportion of that market that it serves. For MWR activities, this determination involves several steps. Unlike other civilian business operations, the number of potential patrons is generally limited by regulations; this presents both potential problems and opportunities.

The “total market” for MWR programs is generally defined as the number of eligible users for each program. The Primary and Secondary Market Segment Worksheet (Figure 3-1) can help in

determining the size of the eligible user population for each MWR program. As shown, the total market is the sum of the population segments from the Current Supported Population Worksheet (Figure 2-3) that are reflected in both the primary and secondary market segments. The primary segment consists of the portions of the supported population who are most likely to use a particular MWR program or service because of their eligibility status and residential proximity; the secondary segment includes those who are less likely to use the program. Population figures from Figure 3-1 are combined with survey data and actual usage statistics to determine market size and market share for each MWR program in the Market Size and Share Worksheet (Figure 3-2). Market size is the total number of actual users of the program or activity in the past year (at any location on or off post), and the MWR market share is that proportion of users who are normally served by the MWR operation. Programs that are determined to have an extremely small proportion of market share should be further analyzed by submarket (primary and secondary) segments.

PRIMARY AND SECONDARY MARKET SEGMENT WORKSHEET			
MWR Program/ Activity	Total Market	Primary Market	Secondary Market
Gym/Fitness Centers	81,900	All ADM ADM Spouses On	ADM Children On (> 18 years) ADM Spouses Off All Civilians Retirees and Dependents Reservists
Bowling Center Recreation Equipment Checkout Campgrounds/ Picnicking	81,900	ADM On ADM Dependents On (18+ years) Spouses On	ADM Off ADM Dependents Off (18+ years) Spouses Off All Civilians All Retirees Reservists
Enlisted Club	14,312	ADM E1 to E4 On	ADM E1 to E4 Off Enlisted Reservists
NCO Club	16,600	ADM E5 to E9 On ADM Spouses E5 to E9 On	ADM E5 to E9 Off ADM Spouses E5 to E9 Off Civilian GS-9 and below NCO Retirees NCO Reservists
Officers Club	5,192	ADM Officers On ADM Officer Spouses On	ADM Officers Off ADM Officer Spouses Off Civilians GS-10 and above Officer Retirees Officer Reservists
Note: ADM = active duty military; On = on post; Off = off post; NCO = noncommissioned officers.			

Figure 3-1

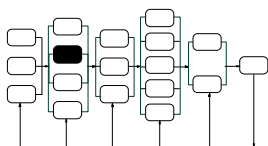
The final step of this element is to analyze the customer profile for each MWR activity using the Customer Profile Worksheet (Figure 3-3). This information not only assists in determining population segments that may be unserved or underserved, it also provides valuable information MWR managers can use in developing individual program business plans (described in Section 6). Information for Figure 3-3 is available from the LNS database through extrapolating sample data to the entire supported population. In subsequent iterations of the LNS, these (or similarly useful data) will be provided as a part of the standard survey report.

MARKET SIZE AND SHARE WORKSHEET							
MWR-Type Program	Eligible Users (a)	Market Size		Actual Users, by Location		Market Share	
		Current (b)	Projected (c)	On Post (d)	Off Post (e)	Current (d/e)	Projected (d/c)
Fitness Center	81,900	55,000	55,100	23,000	32,000	42%	42%
Golf	56,000	7,200	7,600	5,200	2,000	72%	68%
NCO Club	16,000	10,900	12,000	5,200	5,700	48%	43%
Child Development	2,200	580	623	520	60	90%	83%

Figure 3-2

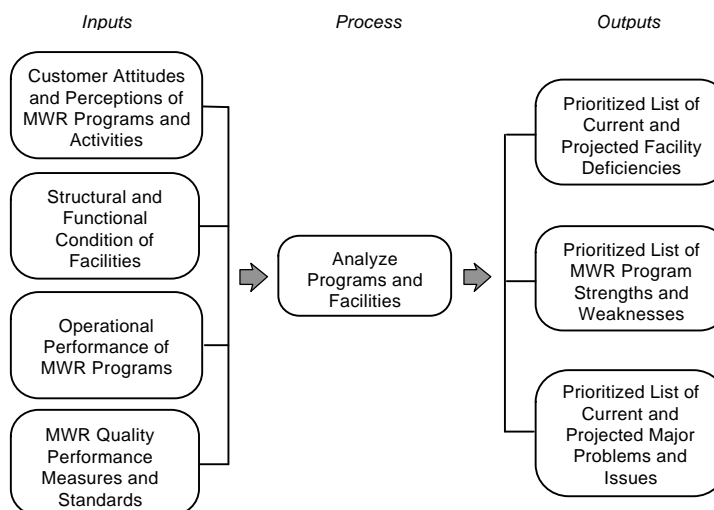
CUSTOMER PROFILE WORKSHEET						
MWR Program: Swimming						
Demographic Segments	Eligible Users (a)	Nonusers (b)	Actual Users			Market Share $\left(\frac{c}{c + d}\right)$
			On Post (c)	Off Post (d)	Total (c + d)	
Gender						
Male	42,000	16,230	16,500	9,270	25,770	64%
Female	39,000	14,750	8,040	16,210	24,250	33%
Residence						
Barracks/BOQ	12,150	4,647	7,250	253	7,503	97%
Military Housing on Post	20,250	7,745	11,755	750	12,505	94%
Military Housing off Post	810	500	160	150	310	52%
Civilian Housing < 30 Minutes Away	39,690	15,240	5,225	19,225	24,450	21%
Civilian Housing > 30 Minutes Away	8,100	2,848	150	5,102	5,252	3%

Figure 3-3



Programs and Facilities Inventory and Analysis Element

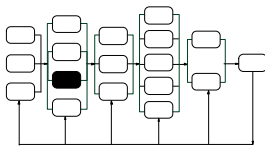
The objective of this element is to identify program and facility strengths and weaknesses and to define any major problems, issues, and needs. The focus of the strategic plan can then be building on identified strengths and developing strategies to overcome weaknesses. In the Programs and Facilities Inventory and Analysis element, the MWR Planning Team evaluates each program offered at an installation with respect to its overall performance. Important factors considered include physical facilities, hours of operation, types of programs and activities offered, fees and other charges, staffing, and operations. Support services—including administration, procurement, maintenance, personnel, and marketing—are also considered.



The MWR Planning Team should use the Programs and Facilities Analysis Worksheet (Figure 3-4) to summarize LNS or other local survey data that provide the customers' perceptions of each individual program's performance, strengths, and weaknesses. The customers' viewpoints provide one basis for determining potential areas to emphasize or improve. Next, the team should include facility evaluations from the Installation Status Report (ISR), fees and charges, performance ratings against current MWR business standards, selected financial data from MWR budget reports, operating hours, and usage figures derived in the previous element. These data will assist in identifying strengths and weaknesses—such as hidden structural damage, strong or weak financial performance—that may not be readily apparent to the customer. Finally, the team should have the activity managers analyze the information recorded for their activities and provide their own assessment and comments in each area to identify individual programs' strengths and weaknesses, and to summarize any major issues or problems. After completing all activities and programs, the MWR Planning Team should summarize the data to identify those strengths and weaknesses that may span the entire MWR organization and prioritize major issues and problems. A format similar to Figure 3-4 should be developed for each major program area and the entire MWR organization. The resulting strengths and weaknesses will be used in the strength-weakness/opportunity-threat (SWOT) analysis in the next component, and the identification of the major problems and issues will facilitate development of strategic goals and objectives.

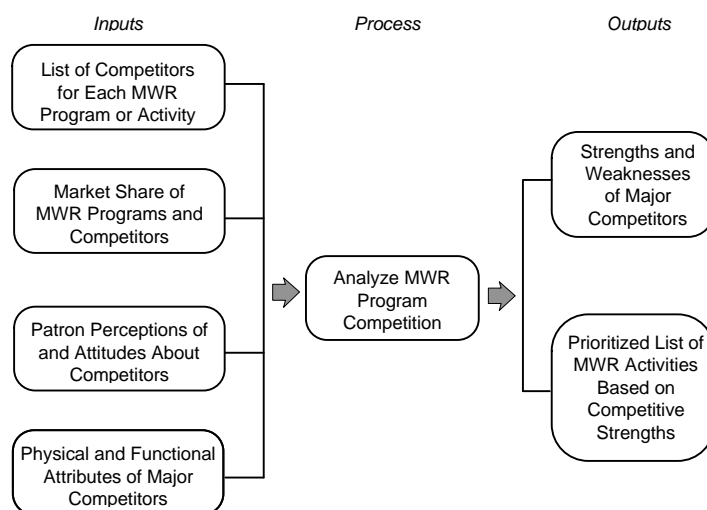
PROGRAMS AND FACILITIES ANALYSIS WORKSHEET			
Program Area: <i>Sports & Recreation Division/Auto Crafts (Two facilities— AC-South and AC-North)</i>			
Program Factors	Previous Survey Condition or Standard	Current Condition Status/Performance	Strength (S) or Weakness (W)/ Major Issues
Facilities	<i>Quality of facilities</i> +0.07% <i>Repair of Building</i> ±.9% <i>ISR:</i> Bldg 5670 RED Bldg 6548 RED	AC-S: 22-bay facility with major cracking affecting structural integrity and electrical wiring during rainstorms. Significant number of lifts require replacement. AC-N: Excellent 17-bay facility, new in 1990.	W <i>(Severe Structural Cracking in AC-S)</i> S
Staffing	<i>Personnel Rating</i> +0.06% <i>Customer Service</i> 0.17%	All technical staff fully licensed and capable. Significant turnover in positions with lower wage rate.	S
Equipment	<i>Quality of Equipment</i> +13% <i>Amount of Equipment</i> +30% <i>Equip. Maintenance</i> +1.04% <i>HVAC/Lighting</i> +2.16%	Both locations have best equipment available (excluding AC-S lifts) as a result of direct funding capability (approx. \$45K/month).	S
Site and Accessibility	<i>Location</i> ±.7%	Dual locations centrally located to major installation populations. Dual locations increase utility bills, number of instructors, major repair equipment items, and management and communications problems.	S W
Activities Supported	<i>Overall Usage</i> +1.4%	Advertising (signs, fliers, unit bulletin boards, Esprit book) limited to on-post use. Users: Military, 80%; Retired, 15%; DAC, 5%.	S
Fees and Charges	<i>Cost</i> +2.8%	Much less expensive than off-post competition. Equal to AAFES by agreement.	S
Functional Performance	<i>Overall Quality</i> +0.09%	Focused on customers perception (fully explain all billed work on back of work order, technical tapes readily available).	S

Figure 3-4



Competitive Analysis Element

In formulating the installation MWR strategic business plan, the MWR Planning Team must consider the competition that exists for programs and services. The Competitive Analysis element profiles organizations that are in the same business or are aiming for the same market segment of customers. The objective of this analysis is to identify the strengths and weaknesses of each competitor for each MWR program so that steps can be identified that capitalize on the competition's weaknesses and maximize MWR competitive strengths.



The focus of this element is to answer the question: “What can the MWR programs offer customers that gives it a competitive advantage?” Completion of the Competitive Analysis element should produce a prioritized list of programs, ranked by how they rate against their own competition, as well as an insight into what constitutes a competitive edge and who has it.

Using the format provided in the Competitive Analysis Worksheet (Figure 3-5), each MWR program manager should determine who and how many competitors are in the area and assess their strengths and weaknesses through an analysis of location, price, and quality factors. Both the number and quality of competitors are important because an overwhelming number of average competitors can be as detrimental to business market share as one superior competitor. The manager should compare each competitor with the MWR counterpart and determine how much better or worse the MWR program is than its competition in the local marketplace. When the Competitive Analysis Worksheet (Figure 3-5) is completed for each MWR program, the programs should be listed by their relative competitive strength values—on a scale of 1 (worst) to 3 (best), as shown on the Competitive Analysis Summary (Figure 3-6). In addition to serving as input for the strengths and weaknesses analysis, these values will be transferred to the Composite Analysis Worksheet (Raw Data), Figure 4-1, in the next component, Developing Alternatives.

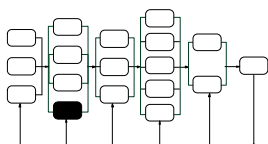
Every MWR activity should be striving to be the best operation on the installation, in the Army, in the military, and in the leisure industry. If available, data on business results, customer focus, and customer satisfaction for competitors (the same performance criteria that should be used for MWR programs) also can provide excellent comparative metrics.

COMPETITIVE ANALYSIS WORKSHEET				
Program/Facility: <i>Aquatics Section</i>				
Number of Competitors (circle one): 1 2 3 4 or more (For 3 or less competitors, list in priority order; for 4 or more competitors, list top 3 and the average.)				
Competition Factor	Competitor			Area Average
	#1	#2	#3	
Name of Competitor	<i>City Pool</i>	<i>Athletic Club</i>		
Miles from Installation	<i>10</i>	<i>12</i>		
Price/Fees	<i>\$75.00/year/family</i>	<i>\$600/year</i>		
Quality Ratings: (Enter competition's rating using a scale of 1 [better than you], 2 [equal to you], or 3 [worse than you])				
Quality of Facility	<i>1</i>	<i>1</i>		
Quality of Equipment/ Furnishings/ Product/Service	<i>2</i>	<i>2</i>		
Quality of Personnel (Customer Service)	<i>3</i>	<i>3</i>		
Location	<i>2</i>	<i>3</i>		
Price	<i>3</i>	<i>3</i>		
Average Competitive Score	<i>2.2</i>	<i>2.4</i>		<i>2.3</i>
What do customers like about this competitor?	<i>Water slide and free lessons</i>	<i>Not crowded, prestige</i>		
What are the competitor's major problems?	<i>Customer service, quality, and cost of guards</i>	<i>Small pool, high costs, not always guarded</i>		

Figure 3-5

COMPETITIVE ANALYSIS SUMMARY								
MWR Activity	Number of Competitors	Miles from Installation	Quality of Facility	Quality of Equipment	Quality of Personnel	Location	Price	Average Competitive Score
Rental Center	2	12	3	3	3	3	3	3
Gardner Lanes	3	3–15	2.3	2.6	2	2.3	2.7	2.8
Army Travel Camp	2	26–36	3	3	3	2	3	2.8
Youth Services Sports	4+	5–25	2.5	3	2.5	2.5	3	2.7
Army Community Service	2	10	3	3	2	3		2.63
Youth Services Summer Camp	4+	20–25	2.3	2.3	2	3	2.3	2.6
ITR	2	5–10	2	2	2.50	3	3	2.5
Auto Craft	3	0–5	3	3	3	3	2.5	2.5
Champion (food)	4+	3–4	2.33	2.33	2.00	1.00	2.33	2
101 Club (food)	4+	3	2	2	2	1	2	1.8
101 Club (bar)	4+	1	1	1	1	1.33	2.33	1.33
Note: MWR activities are listed according to their competitiveness, as described below. 1 = competition is better than installation 2 = competition is equal to installation 3 = competition is worse than installation								

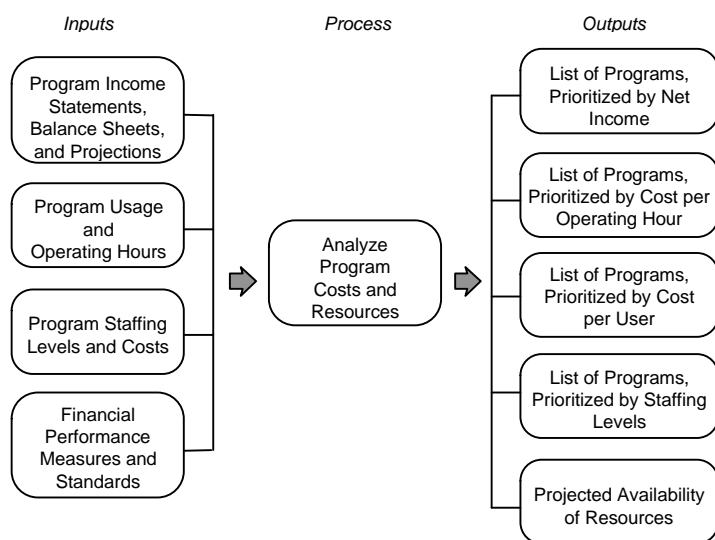
Figure 3-6



Program Costs and Resources Analysis Element

The total cost of each activity and program is analyzed by the MWR Planning Team in terms of the two key resources—money and people. Analyzing the allocation of these resources and the financial health of the MWR programs will help identify problems to be addressed and resources available to achieve strategic objectives. Using ratios to provide common measurement among different programs is key to this analysis. Ratios allow an apple-to-apple type of comparison to be made between the programs. In addition to commonly used financial ratios—such as liquidity and profitability—other ratios that may

be considered are total cost per operating hour, net income per hour, labor cost per operating hour, and net cost per user. Because not all of the MWR organization's activities are designed



as for-profit programs, the use of financial ratios must be carefully considered. For example, financial ratios of not-for-profit activities should only be compared with similar programs. The ratios and the raw data should be used in identifying trends and projecting future uses of resources.

Although numerous financial measurement tools are available, it is recommended that the installation's currently accepted standards be used to minimize impact on existing accounting systems and maintain the current proficiency of collection and reporting, while taking advantage of available existing historical trends. The following are recommended sample worksheets:

- ◆ MWR Program Financial Worksheet (Figure 3-7), which provides a means of capturing the individual program's raw financial data to be used for analysis. The information for this form comes from individual program balance sheets.
- ◆ Total Operating Cost and Net Income per Operating Hour Worksheet (Figure 3-8), which combines financial data and patronage data into a ratio convenient for apple-to-apple comparisons.
- ◆ MWR Staffing and Labor Costs Worksheet (Figure 3-9), which is used to identify how many employees are employed in each program and what fund (appropriated [APF] or nonappropriated [NAF]) pays their salaries, providing a ratio of labor cost to user. Labor is one of the largest operating expenses of virtually every MWR program. Labor costs should not only be compared internally, but also with similar operations at other (comparable) military installations. Where labor costs within a program are high relative to other activities and counterparts, actions should be recommended to lower these costs. Efficiencies identified in MWR programs—both internal and external (competitors')—should also be captured.

MWR PROGRAM FINANCIAL WORKSHEET (\$000)				
Activity	NIBD FY93	NIBD FY94	NIBD FY95	Projected NIBD FY96
Library	(30.3)	(11.9)	(13.3)	(19.0)
Child Development Center	(205.4)	(193.7)	(154.0)	(124.3)
NCO Club	(5.1)	(69.5)	197.3	211.1
Army Travel Camp	13.9	14.4	17.4	18.5
Bowling Center	133.8	(10)	73.1	80.3
ITR	56.0	10.0	48.0	85.1

Figure 3-7

TOTAL OPERATING COST AND NET INCOME PER OPERATING HOUR WORKSHEET					
Period Covered: FY95					
Activity	Total Operating Cost (a)	Net Income (b)	Total Operating Hours (c)	Total Cost per Operating Hour (d)	Net Income per Operating Hour (e)
Library	654,800	(654,800)	3,692	177.36	(176.60)
Gyms	1,874,200	(1,874,200)	27,092	69.18	(64.88)
Golf	793,600	70,000	2,400	330.67	28.08
Equipment Rental	118,200	19,000	3,550	33.30	5.01
Note: <i>d</i> = <i>a</i> divided by <i>c</i> <i>e</i> = <i>b</i> divided by <i>c</i>					

Figure 3-8

MWR STAFFING AND LABOR COSTS WORKSHEET											
Activity	Program Staffing Labor Costs									Total Operating Hours	Labor Cost per Operating Hour
	APF			NAF			Total				
	Total Staff	Labor Hours	Cost (000)	Total Staff	Labor Hours	Cost (000)	Total Staff	Labor Hours	Cost (000)		
Library	14.7	30,576	489	1.2	2,496	15	15.9	33,072	504	3,692	15.24
Fitness Centers	40.8	84,864	1,433		0	0	40.8	84,864	1,433	27,092	52.89
Recreation Centers	5.5	11,440	188	3.6	7,488	74	9.1	18,928	261	2,704	96.52
Fin. Mgt. Div.	2.0	4,160	98	12.6	26,208	380	14.6	30,368	478	3,550	134.65
Total	149.7	311,376	5,063	352.8	733,824	6,715	502.5	1,045,200	11,778	156,037	75.488

Figure 3-9

The MWR Planning Team should collect and analyze each program's operating costs for the current and past years. Costs for future years should be included if appropriate proposed budgets have been developed. The team should determine the common measurements to be used to develop ratios. Data collected from the Customer and Market Analysis and Program Costs and Resources Analysis elements are good sources of common measurements. Additional data may be required to support development of the ratios. The team should analyze the

analysis is to have a clear understanding of what it costs to operate programs and how the programs compare to each other.



```
graph LR; subgraph Inputs; A[Composite Evaluation]; B[Planning Projections and Assumptions]; C[Integrated SWOT Analysis]; end; subgraph Process; D[Develop Alternatives]; end; subgraph Outputs; E[Summary of Probable Future Conditions]; F[Assessment of Strategies to Address Current and Future Conditions]; end; A --> D; B --> D; C --> D; D --> E; D --> F;
```

The flowchart illustrates the Strategic Planning Process, organized into three main stages: Inputs, Process, and Outputs.

Inputs: This stage includes three parallel inputs that feed into the process:

- Composite Evaluation
- Planning Projections and Assumptions
- Integrated SWOT Analysis

Process: The inputs converge into a single central step:

- Develop Alternatives

Outputs: The process results in two parallel outputs:

- Summary of Probable Future Conditions
- Assessment of Strategies to Address Current and Future Conditions

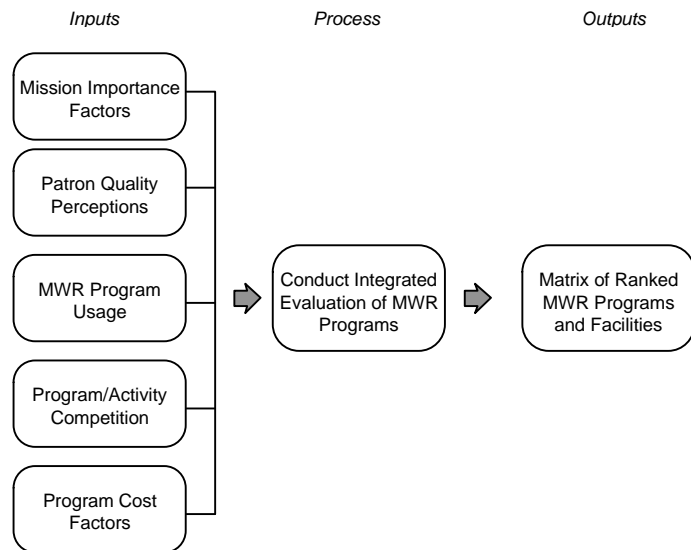
The diagram illustrates a neural network architecture. It consists of several layers of nodes. The first layer has 3 nodes, the second has 4 nodes, the third has 3 nodes, the fourth has 4 nodes, and the fifth has 2 nodes. A black box highlights the top node of the third layer, which is connected to the second and fourth layers. The connections are shown as lines between the nodes of adjacent layers.

Composite Evaluation Element

The MWR Planning Team should develop a set of common-denominator measures (e.g., usage, quality) to be used for rating the programs and activities and enter them in a format similar to the Composite Analysis Worksheet (Raw Data), as shown in Figure 4-1. Whether this tool or another similar tool is used, it is important to use a set of common indicators to objectively

rank the individual programs and activities. Data extracted from the LNS is recommended as a readily available source. Other financial, usage, and performance data appropriate to the installation may also be selected.

After scoring each program on each rating measure in Figure 4-1, the MWR Planning Team should “normalize” the resulting values (e.g., adjusted to a 10-point scale). The team then “weights” each rating measure in proportion to its relative importance. The *Preparing a Strategic Business Plan Handbook* provides detailed information on techniques for normalizing and weighting the values.



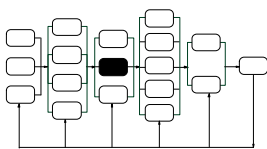
COMPOSITE ANALYSIS WORKSHEET (RAW DATA)									
Program/ Facility	Mission Importance	Facility Quality	Equip- ment Quality	Person- nel Quality	Program Usage	Compe- tition	Users per Hour	Operating Cost per Hour	Net Income per Oper- ating Hour
Gyms	3	3.73	3.79	3.68	34	3	31.61	\$69.18	\$(0.46)
Fitness Centers	3	4.01	4.14	3.98	21	2.46	21.97	\$7.57	\$0.66
Intramurals	3	3.59	3.59	3.65	7	2.17	31.79	\$157.12	\$(10.05)
Rental Center	1	4.00	3.96	4.00	13	2.67	6.04	\$33.30	\$5.35
NCO Club	1	3.48	3.51	3.43	17	2	18.45	\$556.39	\$73.67
Guest Hous- ing	1	3.50	3.56	3.69	9	2	2.64	\$71.96	\$28.54
Maximums	3	4.00	4.14	4.00	34	3	65.41	\$1,175.59	\$73.67
Minimums	1	3.48	3.51	3.43	7	2	0.46	\$5.98	\$(56.95)
Average	1.708	3.887	3.864	3.878	17.958	2.339	25.08	\$211.44	\$(0.54)
Standard Deviation	0.806	0.255	0.238	0.198	11.757	0.372	19.27	\$259.24	\$32.55

Figure 4-1

The MWR Planning Team then enters the resulting program scores on the Composite Analysis Worksheet (Final), Figure 4-2. Properly constructed, generalizations can be made about program groupings. For example, those in the MWR community generally agree that programs that have high mission importance and high patronage, and that are cost-effective and provide quality services, should be a part of the MWR program mix. On the other hand, programs that have low patronage, offer low-quality services, make a marginal contribution to the mission, and are unable to financially support themselves might be candidates for divestiture.

COMPOSITE ANALYSIS WORKSHEET (FINAL)										
Program/ Facility	Mission Importance	Facility Quality	Equip- ment Quality	Personnel Quality	Program Usage	Compe- tition	Users per Hour	Operating Cost per Hour	Net Income per Operating Hour	Composite Score
<i>Weighting Factor</i>	2.8%	8.3%	16.7%	19.4%	22.2%	8.3%	13.9%	2.8%	5.6%	100.0%
Gyms	.140	.310	.633	.714	.377	.415	.406	.134	.153	3.281
Fitness Center	.140	.333	.691	.772	.233	.325	.323	.140	.155	3.113
Rental Center	.028	.332	.661	.776	.144	.360	.187	.137	.163	2.789
Intramurals	.140	.298	.600	.708	.078	.277	.407	.126	.136	2.770
Guest House	.028	.291	.595	.716	.100	.249	.367	.134	.203	2.681
NCO Club	.028	.289	.586	.665	.189	.249	.293	.087	.280	2.666

Figure 4-2

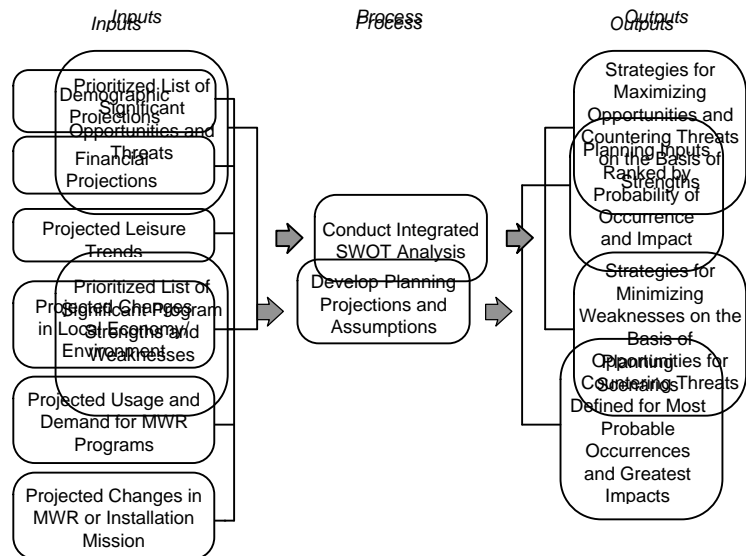


Planning Projections and Assumptions Element

The purpose of the Planning Projections and Assumptions element is to consolidate and summarize projections identified in previous components and to determine those that are more likely to occur. Output from this element is a series of comprehensive planning scenarios that will be used to develop the “baseline” and potential alternative futures. Primary consideration is given to factors such as anticipated changes in size or characteristics of supported population, growth and development of off-post area, and major trends in both the MWR and civilian leisure industry.

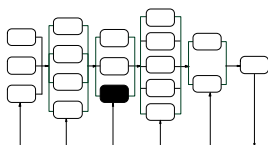
The MWR Planning Team should review data gathered and projections made during the Analyzing and Forecasting the External Environment component, the Analyzing Programs and Markets component, and the Composite Evaluation element. Using a format similar to that found in the Planning Projections and Assumptions Worksheet (Figure 4-3), the MWR Plan-

ning Team should also summarize these projections and planning assumptions. On the basis of these projections, the team should develop a series of assumptions for each projection, determine which assumptions are most likely to occur, and incorporate them into the strategic business plan.



PLANNING PROJECTIONS AND ASSUMPTIONS WORKSHEET		
Planning Factors	Projection	Assumptions
Population	<i>A slight increase in the market population, projected on the basis of the rise in off-post population.</i>	<i>MWR program will maintain a steady market share.</i>
Available Resources	<i>APF resources will continue to fall. NAF revenues will increase to cover APF shortfall.</i>	<i>Resourcing will be flat for 1248 months.</i>
Mission	<i>No significant change in the installation mission or the composition of the post population.</i>	<i>Overall, population will increase slightly.</i>

Figure 4-3



Integrated SWOT Analysis Element

The purpose of the SWOT analysis is to help the MWR organization identify potential actions that will allow it to both capitalize on strengths and minimize weaknesses by using the opportunities, threats, strengths, and weaknesses identified earlier in the planning process. The resulting actions represent options to be considered when developing the goals and objectives for the strategic business plan. The SWOT analysis provides a complete picture of virtually everything that needs to be accomplished at the strategic level to improve or sustain the installation's MWR programs. The matrix is made by entering the prioritized list of external opportunities and threats identified during the Analyzing and Forecasting the External Environment component on one axis, and the prioritized list of MWR internal strengths and weaknesses identified during the Analyzing Programs and Markets component on the other. Use of the format outlined on the SWOT Matrix Worksheet (Figure 4-4) is recommended.

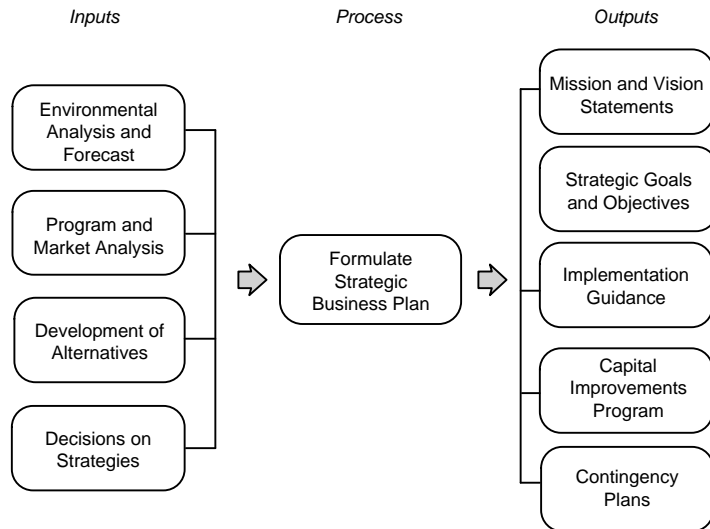
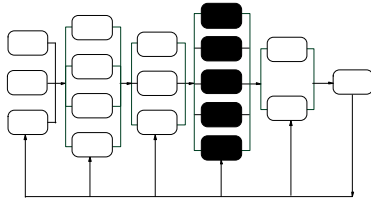
Pair each strength and weakness with each opportunity and threat to identify potential actions that will capitalize on strengths and minimize weaknesses. This key activity provides the following four different sets of actions:

- ◆ Strength–Opportunity (S–O) Action—action that uses program *strengths* to take advantage of existing *opportunities*.
- ◆ Strength–Threat (S–T) Action—action that uses program *strengths* to minimize or avoid current and potential *threats*.
- ◆ Weakness–Opportunity (W–O) Action—action that takes advantage of *opportunities* to improve areas of *weakness*.
- ◆ Weakness–Threat (W–T) Action—action that is largely defensive, that seeks to minimize *weaknesses* by avoiding or mitigating potential *threats*.

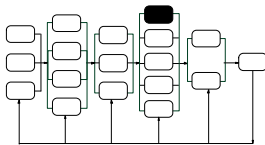
The completed SWOT matrix is an effective planning tool that facilitates MWR decision-making. Specifically, it guides the MWR Planning Team in deciding what it needs to be concerned with to enhance, maintain, and protect specific programs. Every cell may not have entries (relationships between SWOT factors). Identified relationships should be clear, concise, and real. The MWR Planning Team should not contrive relationships that do not exist.

SWOT MATRIX WORKSHEET		
<i>Internal Factors</i>	STRENGTHS (S) <ul style="list-style-type: none"> ⇒ Facilities ⇒ Equipment ⇒ Activities offered ⇒ Personnel quality ⇒ Financial status ⇒ Potential for increase in business ⇒ Equipment 	WEAKNESSES (W) <ul style="list-style-type: none"> ⇒ Fees/prices ⇒ Information provided customers (advertising and feedback) ⇒ Accessibility ⇒ Quantity of people/employees ⇒ Lack of employee empowerment ⇒ Perceived high costs by customers
<i>External Factors</i>		
OPPORTUNITIES (O) <ul style="list-style-type: none"> ⇒ Ability to accept advertising to increase revenue ⇒ Steadily expanding, growing off-post area ⇒ New plant openings for light industrial manufacturing ⇒ Partnership with local community ⇒ Conservative, family-oriented, low-crime, friendly community atmosphere 	SO ACTIONS <ul style="list-style-type: none"> ⇒ Explore opportunity for joint venture or partnering with local community ⇒ Build customer loyalty ⇒ Pursue corporate sponsorship for advertising revenue ⇒ Explore opportunity to use excess capacity ⇒ Explore changing regulations so civilian patronage can be authorized ⇒ Improve effectiveness of marketing ⇒ Bring in additional patrons from off post 	WO ACTIONS <ul style="list-style-type: none"> ⇒ Institute a quality culture ⇒ Lobby for regulatory changes and adequate APR resources ⇒ Develop and implement effective quality plan to include reengineering actions ⇒ Improve customer information ⇒ Develop plan to improve access to the installation ⇒ Educate the Command on the value of MWR services ⇒ Cut programs to save money
THREATS (T) <ul style="list-style-type: none"> ⇒ Desire of senior personnel and even single soldiers to live off post, which reduces their use of on-post activities ⇒ Explosion of retail and commercial outlets ⇒ Closed post, which restricts access for off-post patrons ⇒ No public advertising on post 	ST ACTIONS <ul style="list-style-type: none"> ⇒ Get regulatory relief to harness demand off post ⇒ Educate customer about value pricing to dispel notion of high prices—contrast prices and launch public relations campaign to keep dollars on post; improve packaging ⇒ Meet and exceed customer service expectations—provide employee training and rewards, develop operational standards, and survey noncustomers 	WT ACTIONS <ul style="list-style-type: none"> ⇒ Expand patronage to currently excluded market ⇒ Cost comparison ⇒ Market/communicate positives—explain MWR ⇒ Increase marketing promotions—corporate logo rollout ⇒ Cross-promote MWR programs

Figure 4-4



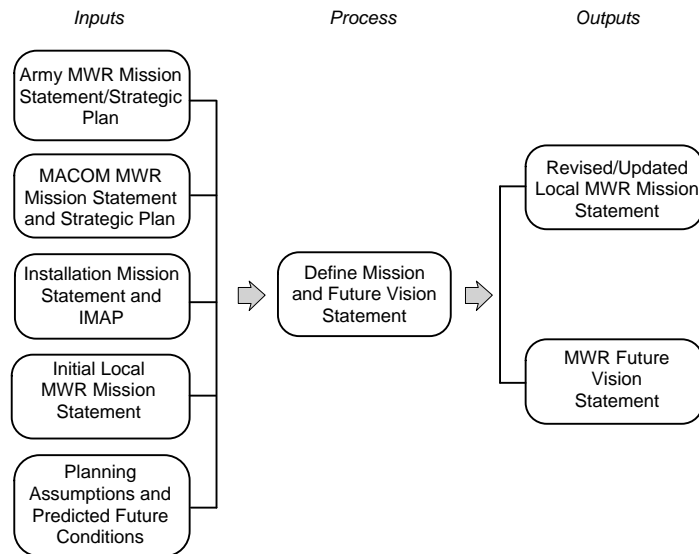
develops a realistic, time-phased capital improvements program. In this process, the team considers probable alternative scenarios the MWR organization will face and develops plans to address these contingencies. When completed, the installation MWR strategic business plan must contribute to accomplishing installation, MACOM, and Army missions.



Mission and Vision Statements Element

Mission statements convey the commander's desired intent in terms of the organization's overall direction and are refined by commanders at each level within the chain of command to encompass their own locally unique considerations. The installation MWR Planning Team must consider the Army MWR mission statement, as well as its MACOM MWR and local installation mission statements that they are responsible to support. Careful examination of the current mission statement and proper restructuring of it is critical to strategic business planning to ensure that energies and resources of the organization are focused. It should be brief and understandable, clearly express the purpose of the organization, and identify scope of services and market served.

The MWR Planning Team should review Army, MACOM, and local MWR mission and vision statements. The team should develop or update local MWR mission and vision statements, as appropriate. The Mission Statement Checklist (Figure 5-1) provides an approach for developing locally unique MWR mission statements. A good mission statement (or restatement) may help installations rethink some activities that have been undertaken in the past several years. For example, some MWR organizations have become managers of waste-recycling programs, and others have promoted approval to provide custodial and janitorial services to generate resources. In the following mission statement, these two pursuits would be clearly outside the overall mission of the MWR program:



The MWR mission at Fort Paradise is to provide access to quality leisure and community support services that are needed and desired by the installation-supported population. Services provided are in direct support of the military missions and are structured to promote desirable morale and social values in families and individuals.

MISSION STATEMENT CHECKLIST	
Key Factors to Use in Writing and Evaluating a Mission Statement:	
1. Brief.	
2. Commitment to economic efficiency.	
3. Broad statement of products/services offered.	
4. Unique or distinctive in some way.	
5. Consistent with headquarters' missions.	
6. Market served geographically.	
7. Continuous in nature.	
8. Understandable.	

While the mission statement describes what the organization *does*, the vision statement describes what the organization *must be*, to be successful. It places a “mark on the wall” in describing expectations for the MWR organization. It answers the question, “As I look at the organization in the year 2001, what do I see?” Following are two examples of installation MWR vision statements:

Figure 5-1

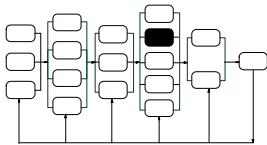
Dedicated professionals, operating in an environment of innovation and continuous quality improvement; serving as good stewards of resources and the environment; partners with the community; providing excellence in customer-valued services, programs, and facilities; contributing to a predictable, high quality of life that enhances readiness of the military force living and working in the Fort Paradise community.

Recognized by the military and civilian communities as the model for delivery of high-quality, cost-effective MWR programs; a proactive work force that is focused on the customer and responsive to their changing needs and desires; emphasizing quality service above all other aspects of the business.

Many large business organizations publish general policies regarding overall philosophy and behavioral norms of the organization. The MWR Planning Team may develop similar “guiding principles” for inclusion in the installation MWR strategic business plan, or follow those established by the Army.

Guiding principles express what is important to the organization—leadership and work force values. They provide the context for day-to-day decision-making. For example, if environmental stewardship is a guiding principle, actions that would violate the principle would not be taken or approved. The following Army MWR guiding principles have been established by the Army MWR Board of Directors:

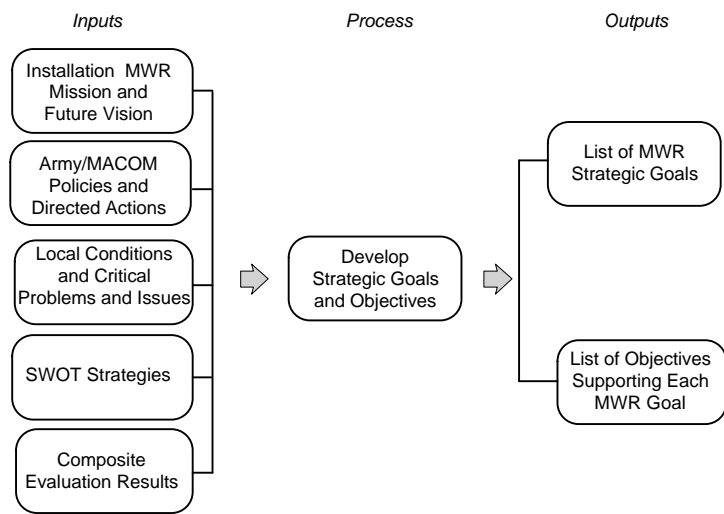
- ◆ MWR supports readiness, retention, and recruiting.
- ◆ The MWR customer is America’s Army.
- ◆ The MWR program is customer-driven.
- ◆ Nonappropriated funds will be returned to the customer through the provision of market-driven services, activities, and capital improvements.
- ◆ The MWR system will be managed consistently with business-like practices.



Strategic Goals and Objectives Element

An integral part of the strategic plan is a set of statements that specify what the organization plans to accomplish over the planning period. Planning is often viewed as a series of related actions and decisions that are organized around and moving toward the accomplishment of goals and objectives. In this regard, goals and objectives are considered as the cornerstone of the planning process.

The starting point is to develop goals. Goals specify strategic directions in which the organization must move to accomplish the mission and have a



reasonable chance of realizing its future vision. Goals are structured around specific areas of business operations that are of importance to the organization. These areas are often referred to as “key result areas” (KRAs). In the Malcolm Baldrige Award criteria, these areas are leadership, information and analysis, strategic planning, human resources, process management, business results, and customer focus and satisfaction. The MWR Planning Team can use a worksheet similar to the Goals Development Worksheet (Figure 5-2) to aggregate information. When completed, goal statements can be developed for appropriate KRAs. Although there is no specific rule regarding the number of goals to be developed, the number should be kept small. Generally, five to seven goals should be sufficient to direct the installation MWR organization. More goals have a tendency to confuse the work force and dissipate energies that should be focused.

Goals may be statements regarding how the organization will function (policies), pure statements of what is to be achieved (general objectives), or combinations of the two (strategic thrusts). Whatever form evolves, or is selected, goal statements must be structured so that the organization knows when progress is being made toward their achievement and when they have been achieved. The Goals Statement Worksheet (Figure 5-3) reflects examples of goal statements based on the information from Figure 5-2.

GOALS DEVELOPMENT WORKSHEET							
	Leadership	Information	Strategic Planning	Human Resources	Process Management	Business Results	Customer Focus
SWOT	<i>To institute a quality culture</i> <i>To inform the Command on the value of MWR services</i>	<i>To improve information systems</i>	<i>To maximize opportunities to use excess capacity</i>	<i>To capitalize on the quality of employees</i>	<i>To develop and implement effective quality plan that includes reengineering actions</i>		<i>To improve customer information, the scope and value of MWR services</i>
Composite Analysis							<i>To exploit the Fitness Centers strengths</i>
Installation Mandates							<i>To retain CAT A activities</i>
MACOM Mandates						<i>To achieve a 7% NIBD</i>	

Figure 5-2

GOALS STATEMENT WORKSHEET	
Leadership	<i>To institute a quality culture in the Fort Paradise MWR by January 1997</i>
Human Resources	<i>To attract, develop, and retain a quality work force by devoting 3% of the payroll to training, which will reduce turnover by 10% by the end of calendar year 1997</i>

Figure 5-3

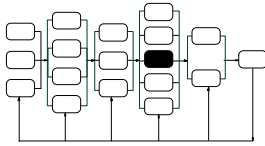
When goal statements are generally agreed upon, the next step is to develop specific objectives for each goal. Objective statements are formulated from the same information that was used to develop the goals. In many cases, the SWOT strategies and other supporting information can be restructured into objective statements. Objectives most often include “who, what, when, and how” components that will guide implementation and achievement. Objectives are also shaped so that they can be appropriately assigned to an organizational program or activity with reasonable expectation that they can be accomplished.

Normally, several objectives are developed for each goal. Again, less is better than more, but there must be a sufficient number of objectives, with enough specificity, so that attaining objectives within a goal area will result in achieving the intent of the goal.

The Objective Writing Worksheet (Figure 5-4) provides an outline used to develop organizational objectives that support the MWR mission. Criteria consistent with effective objectives are included to facilitate clarification.

OBJECTIVE WRITING WORKSHEET	
Strategic Goal:	<i>To institute a quality culture in the Fort Paradise MWR by January 1997</i>
Objective:	<i>To finalize the MWR quality plan no later than October 1995</i>
Objective:	<i>To communicate the quality plan to all members of the MWR staff, installation staff, and patrons by publishing a clear, concise quality statement no later than January 1996</i>
Criteria for a Good Objective. <ol style="list-style-type: none"> 1. Specific. Deals with a single key result to be accomplished. 2. Measurable, trackable. Can tell if it is accomplished. 	

Figure 5-4

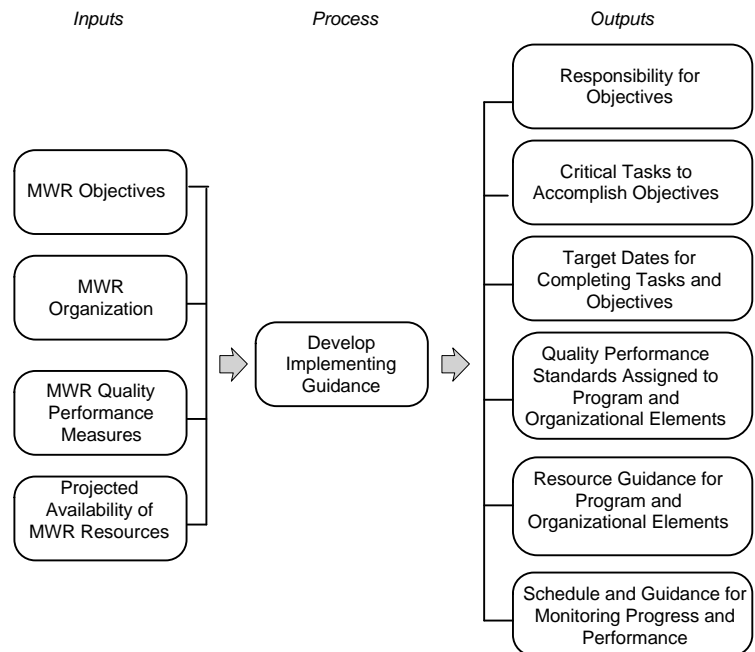


Implementation Guidance Element

At this point in the strategic business planning process, decisions have been made regarding what the MWR organization intends to accomplish over the planning period. The objective of the Implementation Guidance element is to provide specific information regarding

- ◆ taskings to accomplish objectives,
- ◆ assigning responsibilities and milestones,
- ◆ providing resources, and
- ◆ identifying performance measures and standards.

In effect, this information provides essential policy guidance to the program and activity managers who are tasked to implement portions of the MWR strategic business plan. The MWR Planning Team should identify critical tasks necessary to implement each objective without delving into detailed action steps. The team should not expect a 100 percent solution at this stage, as this is the beginning of an iterative process that will continue through the final two components of the planning model. The Goal-Objective-Task Worksheet (Figure 5-5) or similar approach should be used to both assign responsibility for, and track progress of, each primary objective developed to support the goals. Any number of management tools and computer software programs are available and may be used to begin this planning and management process. An excellent management tool is the Gantt chart, an example of which is shown in Figure 5-6.



Essential portions of any implementation strategy involve the following steps:

- ◆ *Break* the objectives into smaller, critical tasks, where needed.
- ◆ *Assign* the objectives to both an organizational entity and an individual.
- ◆ *Agree* on a reasonable schedule for objective completion.
- ◆ *Commit* necessary resources.
- ◆ *Determine and establish* an appropriate assessment of progress.

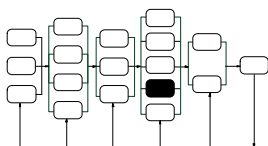
GOAL-OBJECTIVE-TASK WORKSHEET				
Goal: <i>To institute a quality culture in the Fort Paradise MWR by January 1997</i>				
Project Completion Date: January 1997				
Objectives	Proposed Completion Date	Person/ Organization Responsible	Principal Coordination	Cost
<i>Finalize the quality plan. Modify and augment the draft quality plan into its final form.</i>	<i>1st Qtr '96</i>	<i>DCFA</i>	<i>Marketing Division</i>	<i>\$2,000</i>
<i>Communicate the quality plan to all members of the MWR staff, installation staff, and patrons by publishing a clear, concise quality statement.</i>	<i>3rd Qtr '96</i>	<i>Deputy DCFA</i>	<i>Sergeant Major</i>	<i>\$2,500</i>

Figure 5-5

GANTT CHART

ID	Objective	'95			'96		
		Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3
1	Finalize the quality plan. Modify and augment the draft quality plan into its final form.						
2	Communicate the quality plan to all members of the MWR staff, installation staff, and patrons by publishing a clear concise quality statement.						
3	Train all MWR staff members on the quality plan by developing training materials and conducting classes to inform staff of the quality plan.						
4	Ensure that each activity supervisor develop activity-specific quality standards and train staff in their application.						

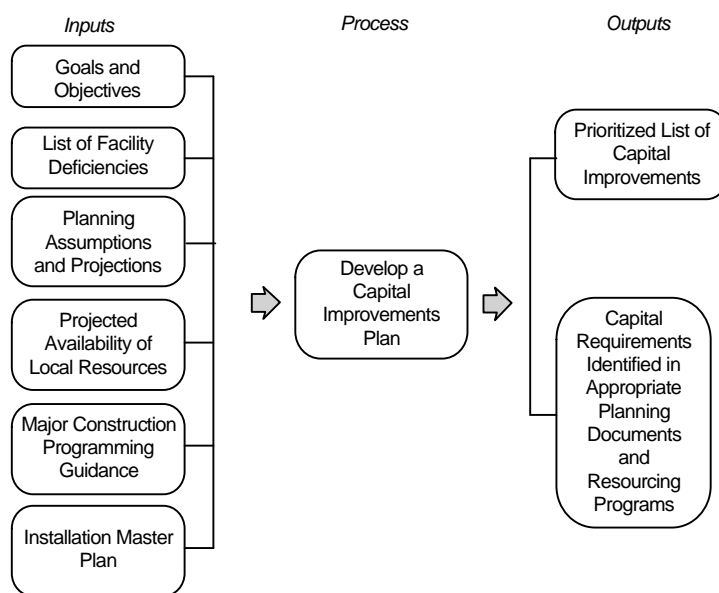
Figure 5-6



Capital Improvements Program Element

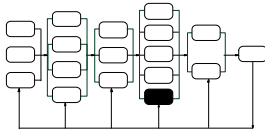
Major expenses required in the strategic business plan, and included in its goals and objectives, are consolidated during the Capital Improvements Program element to highlight their importance and ensure resources are available at the proper time. A capital improvement is any major (more than \$200,000), nonrecurring expenditure for physical facilities, equipment, or other long-term assets. These improvements normally require financial support from the Army MWR fund or the Military Construction, Army (MCA) program.

The strategic goals and objectives are reviewed to determine if any new requirements or changed requirements for capital improvements have been identified in the strategic business planning process that need to be included in the MWR Capital Improvements Program. The Capital Improvements Program Worksheet (Figure 5-7) provides a suggested template to consolidate and track all capital improvement projects. The installation MWR director should coordinate the Capital Improvements Program with appropriate installation construction and procurement representatives to ensure smooth and timely provision of resources and project execution.



CAPITAL IMPROVEMENTS PROGRAM WORKSHEET								
Capital Improvement	Objective Reference	Cost (\$000)	Funding Source	Funding Requirements (\$000)				
				FY96	FY97	FY98	FY99	FY00
Guest House	FMD	792.0	AMWRF		792.0			
Community Center	FMD	400.0	AMWRF					400.0
CPMC <\$1M for M&R and \$200K for minor construction	FMD	3,622.8	NAF/APF	849.8	503.2	1206.3	464.2	599.3
ADP Improvements	FMD	150/Year	NAF/APF	150.0	150.0	150.0	150.0	150.0

Figure 5-7



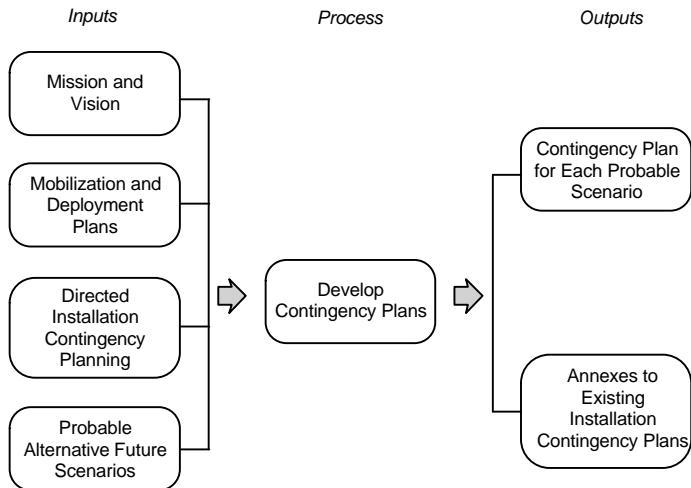
Contingency Plans Element

Strategic planning is based on events that have a high probability of occurring—the most likely happenings. However, less likely conditions may also create serious difficulties for an organization if they actually were to occur. Contingency plans are preparations for taking specific actions should an event or condition occur that is not planned for in the strategic business plan.

The two key concepts in contingency planning are probability and impact. Contingency plans involve potentially high-impact events that do not have the highest probability of occurring. Events with a high probability of occurrence should have been covered in the Developing Alternatives component. Contingency planning will enhance the organization's ability to react to the unexpected, should uncontrollable events alter the planned course of action. The level of contingency plan detail is generally proportional to the probability of the

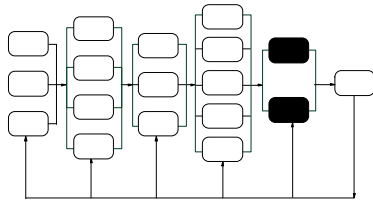
contingency occurring and the anticipated impact on MWR operations, should it occur. Examples of contingencies that might be considered include prolonged troop deployments, Base Realignment and Closure Commission actions, significant and sudden budget adjustments, and natural disasters.

The MWR Planning Team should review the output from the Planning Projections and Assumptions element (in the Developing Alternatives component). Potential candidates for contingency planning are those assumptions that were not used in developing strategic goals and objectives. The SWOT analysis can also be used as an aid in developing contingency scenarios. The team should coordinate with the installation operations element to ensure the most current mobilization and deployment plans and other installation-directed contingencies are considered. Contingency plans should be developed using the same general procedures used in developing the strategic business plan.



Summary of Strategic Components

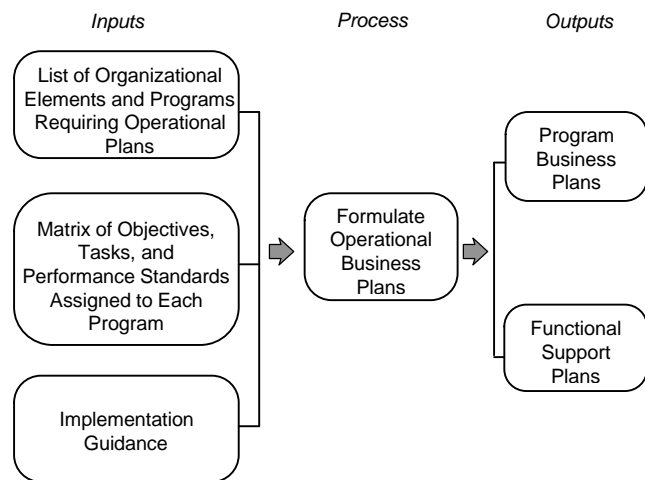
Completing the four strategic components of the strategic business plan results in a detailed document that contains the guiding focus for installation MWR efforts. It is recommended that the plan be encapsulated in an executive summary, examples of which are found in the appendix of the *Preparing a Strategic Business Plan Handbook*. Effective implementation of the plan takes concerted and specific action by all employees during each work day that are consistent with what the plan has specified to be accomplished. The next two components of the MWR business plan address translation of the strategic plan into detailed operational business plans for each program and support activity.



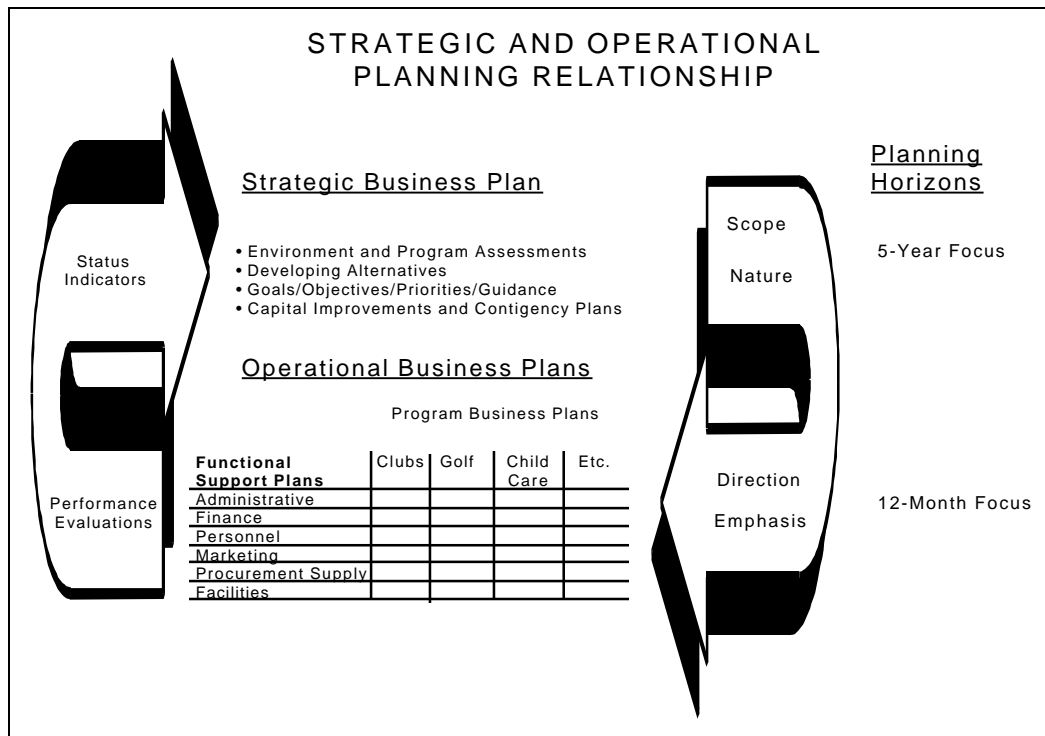
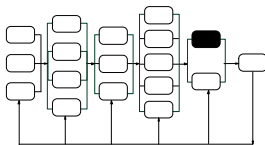
Section 6

FORMULATING OPERATIONAL BUSINESS PLANS

Completing the four previous components of the strategic planning process results in a detailed document that contains the guiding focus for installation MWR efforts. The next, and perhaps most crucial, step in the process is to implement planning decisions. Effective implementation of the plan requires concerted and specific actions by all employees each day; actions that are consistent with plan directives. These actions are specified in more explicit terms in operational business plans. The planning horizon for the strategic business plan is generally 5 years, while the planning horizon for the operational business plan is generally 12 months. Two types of operational business plans (often referred to as implementation or action plans) must be developed: program business plans, which are developed for all major MWR programs; and functional business support plans, which are developed by managers responsible for a common support-type activity.

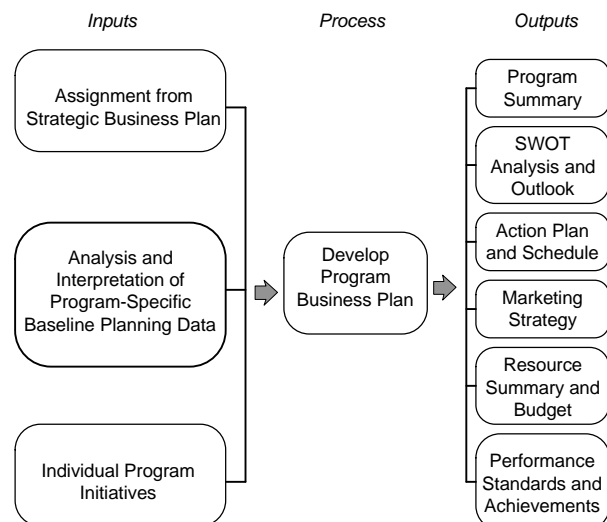


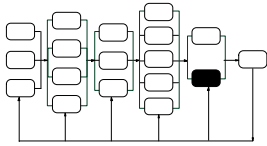
Transition from strategic to operational plans is accomplished by tasking program and functional managers to develop annual action plans designed to address achievement of strategic goals and objectives. The dynamics of the planning process and relationships between the strategic and operational plans is depicted in Figure 6-1. As indicated, strategic plans provide the framework for developing operational plans, and operational plans feed the strategic plan with information on progress and status. Developing operational business plans should be a relatively easy task. All program and functional managers required to develop operational plans provided significant input to, or were members of, the MWR Planning Team, which developed the strategic business plan. Their participation in that process gives them the basic tools (e.g., worksheets, information, analyses) needed to develop the operational plans.

**Figure 6-1**

Program Business Plans Element

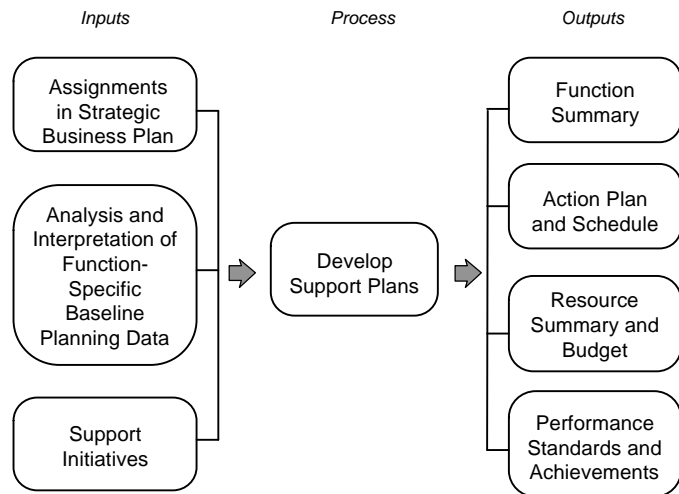
In the Program Business Plans element, MWR program and activity managers combine pertinent information from the strategic business plan about their assignments and guidance, add their own individual program and activity initiatives, and develop individual program business plans. A great deal of program-specific planning information has already been developed in tools such as LNS and various worksheets, such as those used in the Programs and Facilities Inventory and Analysis, Competitive Analysis, Composite Evaluation, and Integrated SWOT Analysis elements. Results of the program business plans are similar to, but more detailed than, those in the strategic plan. Both plans provide guidance for accomplishing objectives in terms of actions, schedules, resources and budget, marketing, and performance standards.



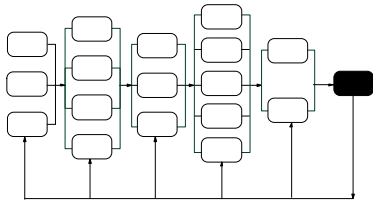


Functional Support Plans Element

Functional business support plans detail the nature and scope of support that will be provided to MWR operating programs. They must specify the how, what, when, and why of support that will be provided. Personnel within each functional support group must understand the nature and importance of their functions, how their functions affect overall accomplishment of strategic goals, and how their performance will be measured. Functional managers must closely coordinate their support plans with their primary customers, the MWR program managers. Operating programs depend heavily on support they receive from functional managers, and their needs will shape much of what is in functional support plans.



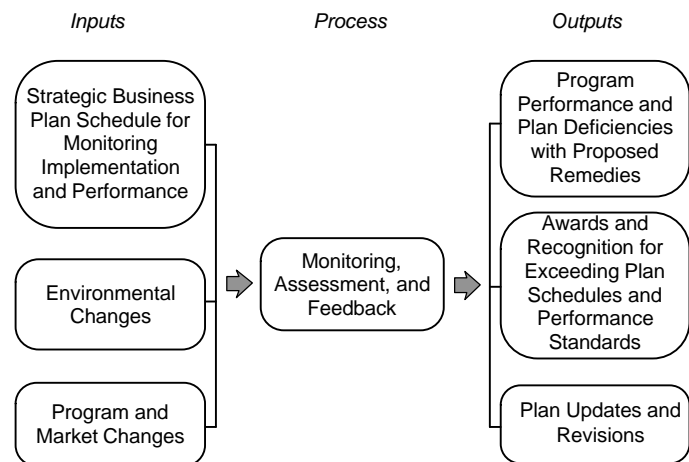
Task lists and schedules developed to support the strategic plan are at the heart of functional support plans. These tasks and schedules are either assigned by the strategic plan or are developed by functional managers as initiatives to fulfill assigned responsibilities. Responsibilities for goals and objectives assigned to MWR functions are further assigned to individuals within each function. If strategic assignments are complex, they are divided into more specific action steps and then assigned.



Section 7

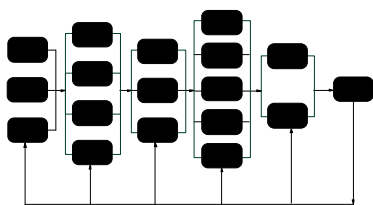
MONITORING AND EVALUATING PLAN IMPLEMENTATION

The final component of the planning process is the establishment of a mechanism for regularly monitoring the status and progress of plan implementation and any changes in the operating environment that may affect accomplishment of plan objectives. Although monitoring is considered a continuous process, the MWR director must establish specific times for formal review of the plan. During these formal reviews, the director confirms or revises predictions and assumptions upon which the plan was built, assesses performance of operating programs and functional elements, and evaluates progress toward meeting plan objectives.



Information (feedback) from the monitoring sessions enables managers to evaluate whether they are fulfilling their assigned responsibilities and, if necessary, to refocus efforts, in terms of time and resources, on objectives that the organization has determined to be strategically important. Managers experiencing difficulties in meeting assigned objectives may be given additional guidance and resource support. Managers who exceed performance standards, accomplish objectives on schedule, and otherwise make significant contributions to the success of the plan should be rewarded.

The entire MWR strategic business planning cycle is designed to be repeated on a regular, periodic basis. Army regulations require the installation MWR organization's strategic business plan be updated every three years (as part of its Triennial Needs Assessment) and should be appropriately timed to take place just after the organization has received the LNS. However, should major changes to the planning assumptions occur (such as changes in mission, assigned population, or resources), the plan should be updated inside the three-year cycle. Operational business plans of individual programs and support areas generally cover one year. Optimally, each MWR program should update its business plan just before producing fiscal year budgeting projections and/or individual performance rating reports.



Section 8

SUMMARY

Development of the strategic business plan is a powerful management tool for providing vision and focus to the day-to-day operations of the entire MWR organization. To maximize the plan's chances for success, it is recommended that the director of the MWR organization obtain formal approval of the strategic plan from the installation commander. This is best done at the conclusion of the Formulating the Strategic Business Plan component and with the aid of an executive summary, examples of which are in the handbook. Once approval is granted, the entire organization can begin work on the final components—Formulating Operational Business Plans, and Monitoring and Evaluating Plan Implementation—confident of the full support of the installation commander. To optimize the opportunity for success, it is also recommended that the MWR Planning Team communicate its strategic plan to both its customers and its work force. The executive summary is again an excellent tool for providing the MWR overview to both groups. A great deal of effort is expended and a great deal of insight gained during an initial strategic planning initiative. The benefits of proper planning far outweigh its costs, and subsequent planning updates will be much easier.

The MWR strategic business plan, as it is implemented and refined during the review process, is the MWR program manager's vehicle for transforming the existing MWR program to support the Army strategic plan for installations. This plan is also the means by which the MWR leadership operationalizes the Army MWR Strategic Vision. Thus, the MWR strategic business plan cannot be viewed as just another requirement. It is, in fact, an organizational imperative.

